

## CHARITY CARE

**POLICY:** Children's Hospital & Regional Medical Center provides health care appropriate for the special needs of children up to 21 years of age who are residents of Washington, Alaska, Montana, or Idaho, regardless of their ability to pay. Financial assistance is provided to these children based upon family need and hospital resources. Children's has established criteria for the provision of charity care, consistent with the requirements of Chapter 246-453 WAC. These criteria will assist staff in making consistent and objective decisions regarding eligibility for charity care while ensuring the maintenance of a sound financial base.

**PROCEDURE:**

**A. Communications to the Public**

Children's charity care policy is made publicly available as follows:

1. Public Notice – A charity care notice printed in 24-point font is displayed at all main entrance registration locations both in English and in Spanish.
2. Individual Notification – In accordance with WAC 246-453-020, Children's will make financial assistance information available to each person who is seeking Inpatient, Day Surgery, or Emergency Room services on behalf of himself or another. If for some reasons, as in an emergency, the patient is not so notified before receiving treatment, he or she will be notified in writing as soon as possible thereafter. The information will be provided even if an individual is presumed to be over income, is seeking services not covered by charity care funding, is covered by insurance, or has not made a request for uncompensated service. Financial assistance information will also be provided to every potentially eligible person who has indicated a potential need.
3. Alternate Languages – Children's application form for charity care is available in English and Spanish. Financial Counselors, who have access to interpreter services for other languages, are available in person and by telephone to assist with completion of the application.
4. Staff – Children's trains its front-line staff to answer charity care-related questions or to direct such questions to the financial counseling department in a timely manner.
5. Financial Statements – Each statement or bill sent to a family contains written information about the availability of charity care and the number to call for further assistance.

**B. Scope of Charity Care**

1. Services – Charity care will be provided for appropriate hospital-based medical services, e.g., those hospital services that are reasonably calculated to diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and for which there is no other equally effective, more conservative, or substantially less costly course of treatment available or suitable for the person requesting the service. Services that are primarily cosmetic or purely elective are not eligible for charity care.

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2. Duration – The determination of eligibility for charity care will be applicable for the episode of care identified at the point of determination (or up to 1 year for chronic conditions requiring continuous treatment). Patients can reapply at any time.

**C. Eligibility Criteria for Charity Care**

Patients must meet all the following criteria in order to be eligible for charity care:

1. Residency – To be eligible for charity care, patients must reside in Washington, Alaska, Montana, or Idaho (the “WAMI Region”). For purposes of this policy, patients are considered residents of the WAMI Region only if, prior to beginning their course of care, their primary residence is located in one of the WAMI Region states.

2. Age – Patients are considered children and eligible for charity care until reaching their 21<sup>st</sup> birthday. Patients 21 years of age and older are eligible for charity care only if they are being tested or treated to further the care of a Children’s patient who is under the age of 21 (for example, testing for the presence of tuberculosis). Adults seeking genetic testing for purposes of determining whether a genetic condition could be transmitted to future children are not eligible for charity care.

3. Alternate Funding – Patients must first exhaust all other funding sources for which they may be eligible before they will be eligible for charity care, including without limitation, the following:

3.1. Group or individual medical plans and/or health insurance;

3.2. Medicare (Title XVIII);

3.3. Medicaid Programs (Title XIX);

3.4. Other federal, state, tribal, or military programs, e.g., Indian Health Services, CHAMPUS;

3.5. Third party liability insurance, e.g., resulting from auto accidents or personal injuries;

3.6. Workers’ compensation programs;

3.7. Any other persons or entities that may have a legal responsibility to pay for medical services;

3.8. Designated grant funds for which the patient may be eligible; or

3.9. Any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical care.

Children’s reserves the right to require confirmation that a patient is ineligible for alternate funding sources, including, without limitation, written denials (or oral denials followed by written documentation) from applicable funding sources.

4. Income - In accordance with WAC 246-453-040, patients from the WAMI Region may be eligible for charity care if the patient, his/her family, or the party responsible for payment for the patient's medical services has a gross family income at or below 400% of the Federal Poverty Guidelines as adjusted for family size. Children's reserves the right to consider family assets as part of the final determination for charity care if family income exceeds 100% of the Federal Poverty Level. Responsible parties whose income exceeds 400% and who have incurred catastrophic account balances not eligible for funding from other sources may be eligible for catastrophic charity care whereby they are responsible for a portion of the outstanding balance, and Children's charity care funds the remaining balance.

5. Application - In order to be considered eligible for charity care, the patient, the patient's family, or the party responsible for payment for the patient's medical services must submit the necessary information. In most, but not all cases, this is done using an application form.

6. Presumptive Eligibility - In cases where a patient can be reasonably presumed to qualify for charity care, and when the standard application processes are not likely to be completed due to socioeconomic or other factors, Children's Medical Director, Chief Financial Officer, or Business Services Director, or their designee, may administratively designate a patient to qualify for charity care in the absence of receiving all required information. Additionally, Children's may administratively grant limited-duration charity care to patients residing outside of the WAMI region when patients have an unplanned, acute onset of illness and financial counselors assess that income guidelines would be met. Charity care coverage in this case would cover only the emergency room visit and resulting admission, if necessary, to stabilize the patient.

#### **D. Application and Determination Process**

Children's uses an application process for determining eligibility for charity care. Charity care applications and instructions will be furnished when charity care is requested, when need is indicated, or when financial screening indicates potential need and eligibility.

1. Income Verification - Income documentation to verify information indicated on the application form may be requested. When requested, the verification documentation requested will be payroll check stubs (most recent three months). Responsible parties can submit one or more of the following items in lieu of or in addition to payroll information:

- 1.1. IRS tax return (most recent year);
- 1.2. W-2 withholding statement;
- 1.3. Forms approving or denying eligibility for Medicaid and/or state funded assistance;
- 1.4. Forms approving or denying eligibility for unemployment compensation;
- 1.5. Written statements from employers or welfare agencies;

In the event that the responsible party is not able to provide any of the documentation listed above, Children's may request a written and signed attestation of absence of income from the responsible party.

The responsible party may be required to provide written verification of ineligibility for all other potentially pertinent sources of funding.

All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form. Determination of eligibility will be made by the Business Services Department.

2. Determination – Children's will provide an eligibility determination in writing within fourteen (14) days of receipt of all required information.

2.1. Acceptances – A letter communicating the approval of charity care and the applicable eligibility period will be sent to the financially responsible party that applied for charity care. Copies of this letter are provided to Children's Home Care Services Department, Children's University Medical Group (CUMG), and Odessa Brown Children's Clinic as each of these providers honors Children's charity care determinations.

2.2. Denials – In the event Children's determines that a patient is not eligible for charity care, a written denial will be provided to the financially responsible party that applied for charity care and will include the reason(s) for denial, the date of the decision, and the instructions for appeal or reconsideration.

2.3. Appeals - The responsible party may appeal the determination of eligibility for charity care by providing additional verification of income or family size to the Director of Business Services within thirty (30) days of receipt of notification. All appeals will be reviewed by the Director of Business Services and/or the Vice President & Chief Financial Officer for final determination. If this determination affirms the previous denial of charity care, written notification will be sent to the responsible party and the Department of Health in accordance with state law.

If a request has been denied, no collection activities will be initiated for fourteen (14) days after the denial has been communicated. If an appeal is filed, collection activities will be suspended until the appeal is concluded. Children's internally manages all collection activities for patients who are WAMI residents.

In the event that a responsible party pays a portion or all of the patient financial responsibility related to appropriate medical services and is subsequently found to have met charity care criteria at the time services were provided, any payments will be refunded within thirty (30) days of the charity care determination.

#### **E. Access to Emergency Services**

In accordance with applicable law, access to appropriate emergency services will not be delayed or denied based on an individual's ability to pay for services or determination of an individual's sponsorship status.

#### **F. Nondiscrimination**

In accordance with applicable law, charity care determinations are made without regard to the race, sex, creed, ethnicity, religion, or other protected status of applicants.

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Reviewed by: Board of Trustees (approved)  
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**APPROVED BY:**

_____	<u>01/06/2005</u>
Kelly A. Wallace	Date
Vice-President	
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**ORIGINATED:**

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**Additional Key Words:** Uncompensated, financial assistance, patient billing, free care

## **Addendum A**

### **Charity Care Policy for Pediatric Transplantation**

- Children's Hospital and Regional Medical Center desires to maintain its tradition of serving children from Washington State regardless of their families' ability to pay, based on hospital resources. As such, Children's will provide charity care for pediatric transplantation services for children up to 21 years of age who reside in Washington State. Charity care for children meeting age and income criteria who reside in Alaska, Montana, or Idaho and who seek transplant services will be determined on a case-by-case basis.
- In recognition of an integrated care model, Children's charity care funds may be allocated to other Seattle Cancer Care Alliance (SCCA) providers at Washington State Medicaid payment rates for fully unfunded transplant-related services provided to SCCA pediatric patients who qualify for, or who have been approved for, Children's charity care.
- Children's Medical Director and Children's Chief Financial Officer will make the final determination of eligibility for Children's charity care funds.